

§ 108A-122. Assessment.

(a) **Assessment Imposed.** – Except as provided in this section, the assessments authorized under this Article are imposed as a percentage of total hospital costs on all licensed North Carolina hospitals. The assessments are due quarterly in the time and manner prescribed by the Secretary. Payment of an assessment is considered delinquent if not paid within seven days of the due date. With respect to any past-due assessment, the Department may withhold the unpaid amount from Medicaid payments otherwise due or impose a late-payment penalty. The Secretary may waive a penalty for good cause shown.

(b) **Allowable Cost.** – An assessment paid under this Article may be included as allowable costs of a hospital for purposes of any applicable Medicaid reimbursement formula; assessments paid under this Article shall be excluded from cost settlement. An assessment imposed under this Article may not be added as a surtax or assessment on a patient's bill.

(c) **Full Exemption.** – The following hospitals are exempt from both the equity assessment and the UPL assessment:

- (1) State-owned and State-operated hospitals.
- (2) The primary affiliated teaching hospital for each University of North Carolina medical school.
- (3) Critical access hospitals.
- (4) Long-term care hospitals.
- (5) Freestanding psychiatric hospitals.
- (6) Freestanding rehabilitation hospitals.

(d) **Partial Exemption.** – A public hospital is exempt from the equity assessment. (2011-11, s. 1; 2015-241, s. 12H.7.)